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**House File 146** – Gambling Game Bet Penalties (LSB1162HV)  
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Fiscal Note Version – New

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### **Description**

**House File 146** changes penalties related to cheating on gambling games at casinos. Under current law, a person that places a bet after acquiring knowledge, not available to all players, of the outcome of the gambling commits a Class “D” felony regardless of the amount bet. The person charged is banned for life from excursion gambling boats and gambling structures after a single offense. **House File 146** replaces the current provision with a new requirement concerning the offense of unlawful betting. The Bill specifies that a person that places, removes, increases, or decreases a bet after acquiring knowledge of the outcome of the gambling game commits the offense of unlawful betting. The Bill establishes the following penalties:

- Class “D” felony, if the potential winnings from the unlawful bet exceed \$1,000.
- Aggravated misdemeanor, if the potential winnings exceed \$500 but less than \$1,000.
- Serious misdemeanor, if the potential winnings exceed \$200 but less than \$500.
- Simple misdemeanor, if the potential winnings do not exceed \$200.
- The Bill requires that two convictions of the offense of unlawful betting will result in the person being barred for life from excursion gambling boats and gambling structures.

### **Background**

#### **Correctional and Fiscal Information**

- A Class “D” felony is punishable by confinement for no more than five years and a fine of at least \$750 but no more than \$7,500.
- An aggravated misdemeanor is punishable by confinement for no more than two years and a fine of at least \$625 but no more than \$6,250.
- A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least \$315 but no more than \$1,875.
- A simple misdemeanor is punishable by confinement for no more than 30 days or a fine of at least \$65 but no more than \$625 or by both.
- According to the Justice Data Warehouse, in FY 2014 there were 22 persons charged under Iowa Code section [99F.15\(4\)\(d\)](#) that included crimes that relate to cheating at gambling games. Of the 22 persons charged, two were convicted under [99F.15\(4\)\(d\)](#), six were convicted under other Iowa Code sections, and charges were dismissed for 14 other persons.
- Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Correctional Impact Memo](#), dated January 30, 2014, for information related to criminal justice system costs for nonperson crimes.

## **Minority Data Information**

Of the two persons convicted under Iowa Code section [99F.15\(4\)\(d\)](#), one was Asian and one was Caucasian. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Memo](#), dated January 30, 2014, for information related to minorities in the criminal justice system.

## **Assumptions**

### **Correctional and Fiscal Information**

- The number of persons charged under the new Iowa Code section 99F.15(5A), will be similar to the number charged under Iowa Code section [99F.15\(4\)\(d\)](#) in FY 2014. In FY 2014, 22 persons were charged, and the charges were dismissed for 14 persons.
- The number of persons convicted under the new Iowa Code section 99F.15(5A) will likely be greater than the number convicted under Iowa Code section [99F.15\(4\)\(d\)](#) in FY 2014; however, the convictions will likely be for penalties that are less than a Class “D” felony.

## **Summary of Impacts**

### **Correctional Impact**

The Bill broadens the actions for penalties that can be applied to a person for an offense of unlawful betting. The potential exists for an increase in the number of convictions; however, the extent of this increase is difficult to determine because the new penalties are based on dollar amounts bet on a gambling game.

### **Minority Impact**

The minority impact is expected to be minimal.

### **Fiscal Impact**

The fiscal impact of [HF 146](#) cannot be determined, due to insufficient information.

## **Sources**

Department of Human Rights, Division of Criminal and Juvenile Justice Planning  
Department of Public Safety

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/s/ Holly M. Lyons

February 4, 2015

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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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